

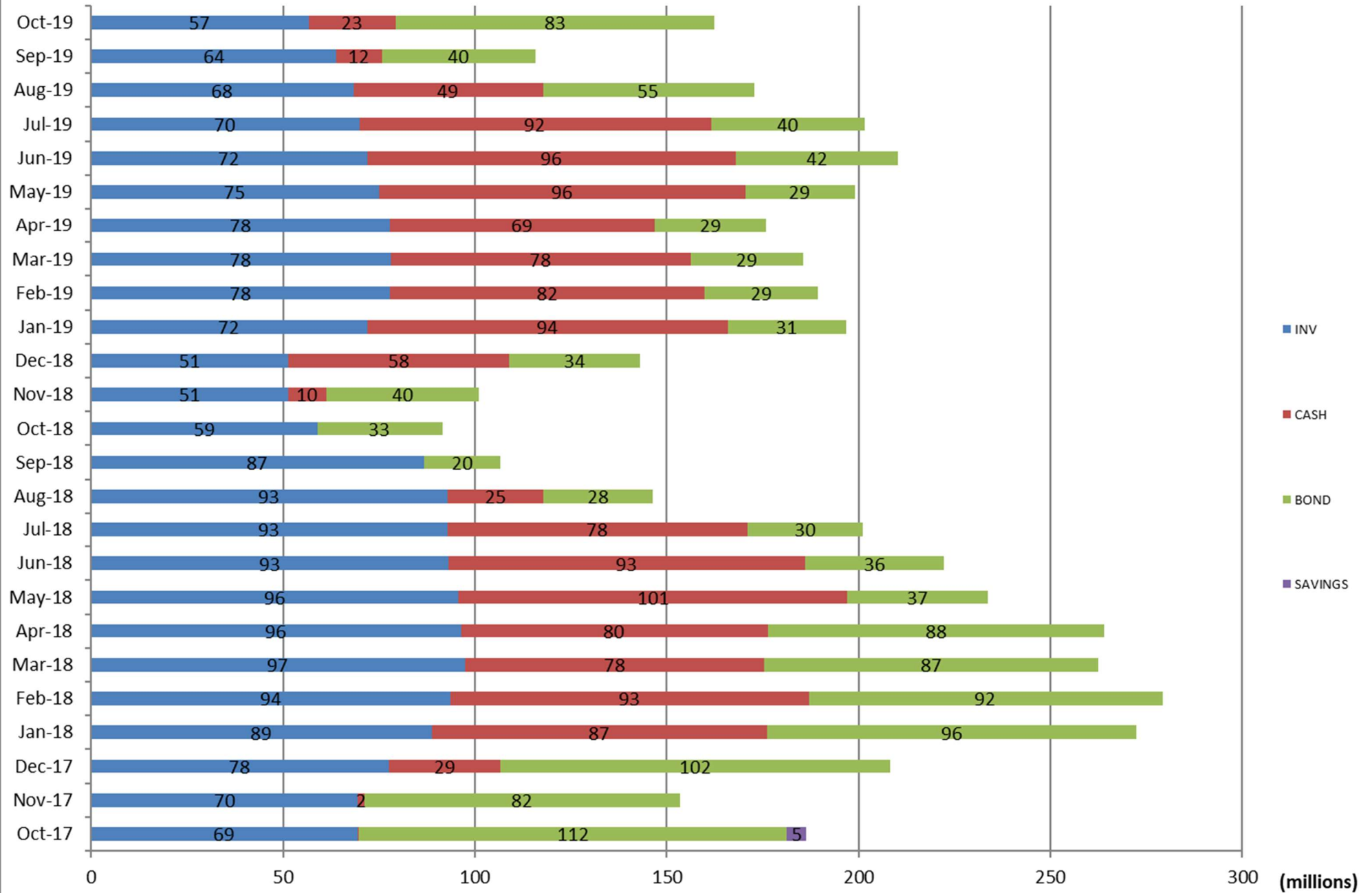
Louisville Metro Investment Council



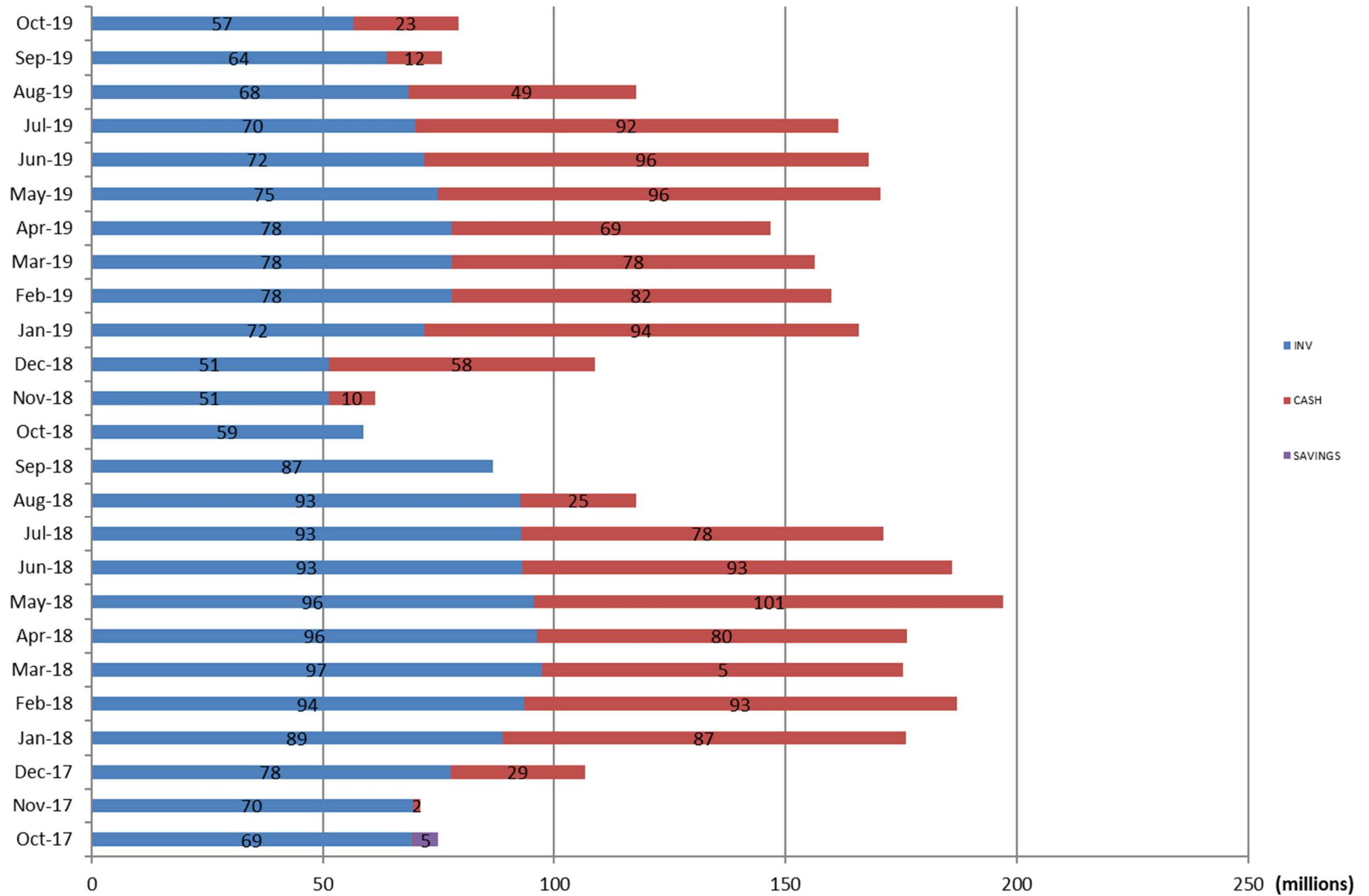
November 15, 2019

PORTFOLIO COMPOSITION

Metro Total Cash Position as of 10/31/19



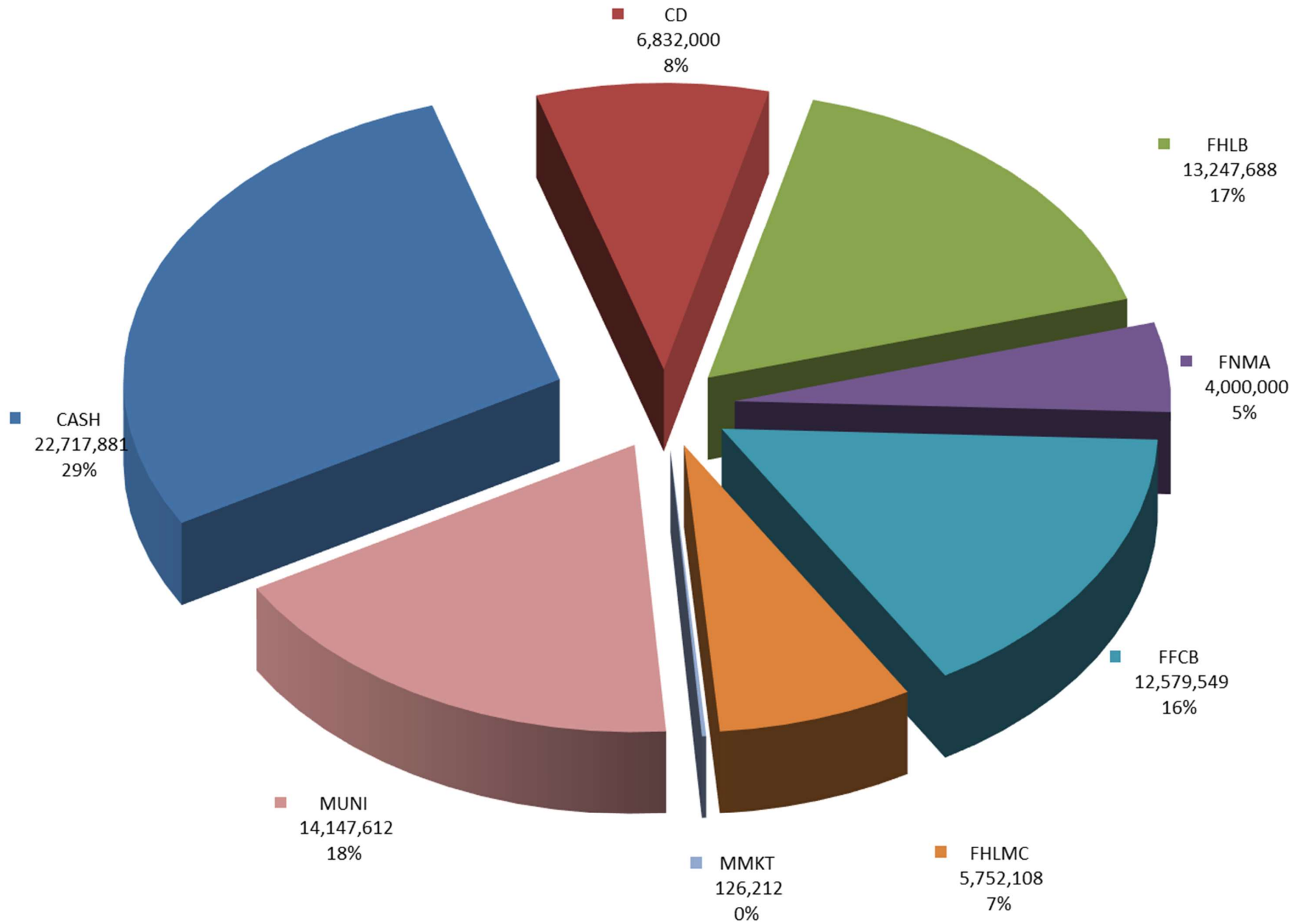
Metro Cash Position (Excluding Bond Proceeds) as of 10/31/19



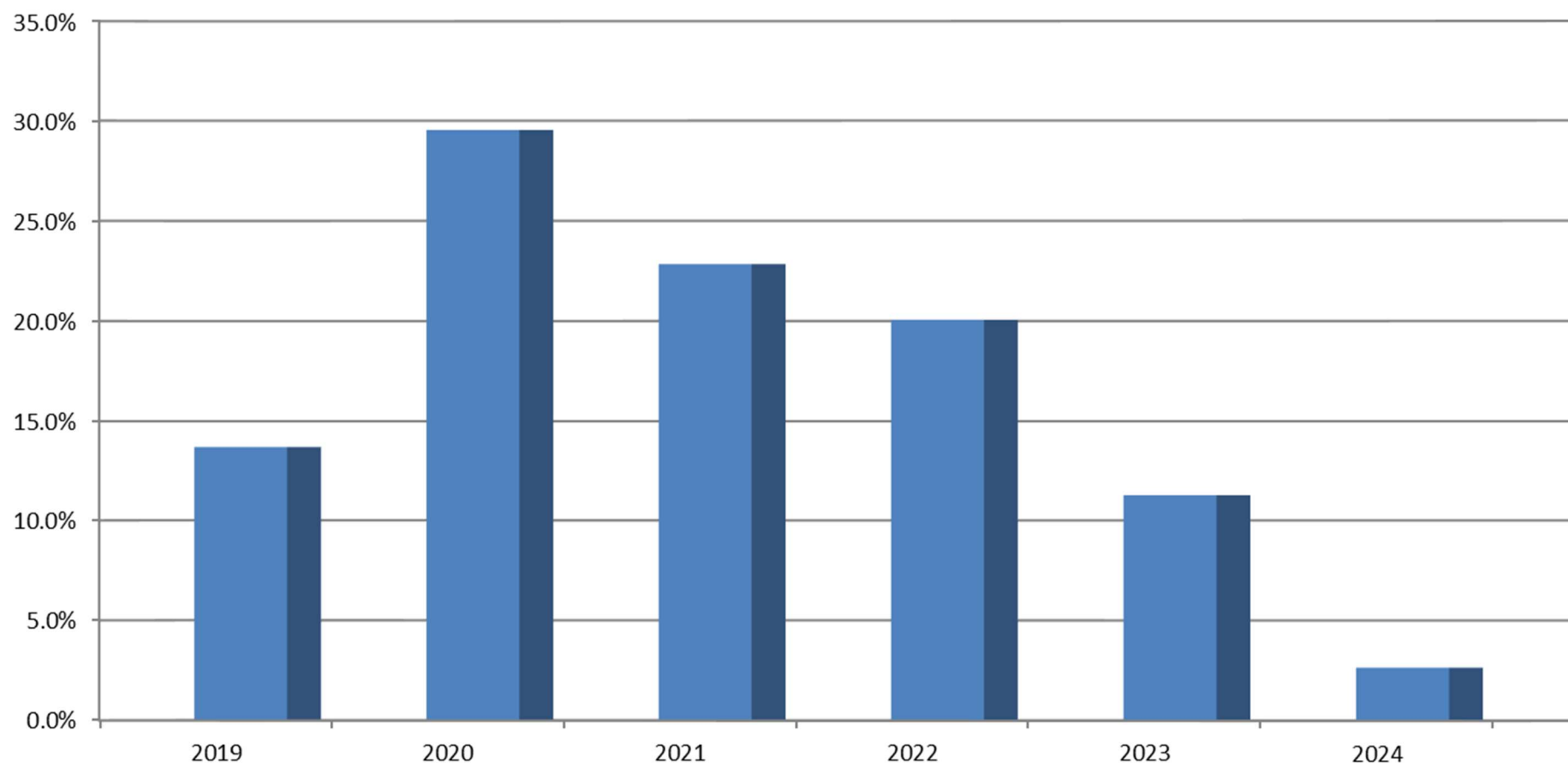
Acc Int / Amort / Mkt Val
Lou / Jeff Cty Metro Finance
 Effective Interest - Callable Life
 Receipts in Period
 10/31/2019

	Invest Number	CUSIP	Security Description	Call Date	Purchase Date	Ending Par Val/Shares	Ending Amor Val/Cost	Ending Market Val	Amortization Purch/Date	PTD Purch Received	Int/Div Rec Purch/Date	Int/Div Accrued Purch/Date	Purch Int + Acc Int
Cash	AR-0046	METRO CONC 53- 714868609	Cash Account	Open	09/22/08	12,172,896.60	12,172,896.60	12,172,896.60	0.00	0.00	2,221,071.05	0.00	0.00
	AR-0054	METRO SAFEKEEPING - 1050996303	Cash Account	Open	12/30/16	10,544,984.47	10,544,984.47	10,544,984.47	0.00	0.00	116,520.01	9,200.12	9,200.12
	Cash Total					22,717,881.07	22,717,881.07	22,717,881.07	0.00	0.00	2,337,591.06	9,200.12	9,200.12
Certificate of Deposit	18-0057	02007GAQ6	ALLY BK UTAH 2.25 01/27/20	Open	01/25/18	250,000.00	250,000.00	250,000.00	0.00	0.00	8,414.38	1,546.88	1,546.88
	18-0058	211163GW4	CONT BANK UTAH 2.10 07/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	7,853.42	1,429.17	1,429.17
	18-0059	55266CYB6	MB FINL BK ILL 2.35 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	10,269.18	81.60	81.60
	18-0060	58404DBA8	MEDALLION BK UTAH 2.40 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	10,487.67	83.33	83.33
	18-0061	857894WJ4	STEARNS BK MINN 2.20 01/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	9,613.63	76.39	76.39
	18-0062	27113PCG4	EAST BOSTON SVGS 2.30 07/30/21	Open	01/30/18	250,000.00	250,000.00	250,000.00	0.00	0.00	8,601.37	1,501.39	1,501.39
	18-0065	501798LQ3	LCA BANK CORPORATION 2.60 02/28/22	Open	02/28/18	246,000.00	246,000.00	246,000.00	0.00	0.00	9,567.71	1,154.83	1,154.83
	18-0067	856285JS1	ST BK IND NYC 3.00 03/06/23	Open	03/06/18	246,000.00	246,000.00	246,000.00	0.00	0.00	11,100.33	1,148.00	1,148.00
	18-0068	254673MW3	DISCOVER BANK 2.65 03/08/21	Open	03/07/18	246,000.00	246,000.00	246,000.00	0.00	0.00	9,805.29	977.85	977.85
	18-0070	75272LAD8	RANDOLPH SAVINGS BANK 2.60 03/09/22	Open	03/09/18	246,000.00	246,000.00	246,000.00	0.00	0.00	9,620.28	941.63	941.63
	19-0020	86789VXR3	SUNTRUST SILC 3.00 08/12/22	Open	02/12/19	248,000.00	248,000.00	248,000.00	0.00	0.00	3,689.42	1,651.07	1,651.07
	19-0021	38148P5B9	GOLDMAN SACHS NYC 3.10 02/13/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	21.23	3,843.15	1,698.63	1,719.86
	19-0022	61690UEH9	MORGAN STANLEY, SALT LK CITY 3.05 02/14/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,781.16	1,650.34	1,650.34
	19-0023	949763X04	WELLS FARGO SIOUX FALLS 3.10 02/13/24	Open	02/14/19	250,000.00	250,000.00	250,000.00	0.00	20.50	5,138.37	387.50	408.73
	19-0025	06426KBA5	BANK OF NEW ENGLAND SALEM 2.85 02/15/24	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	4,723.97	312.33	312.33
	19-0026	17312QZV0	CTIBANK SIOUX FALLS 3.00 02/15/24	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,719.18	1,602.74	1,602.74
	19-0028	48128HGA0	JPMORGAN CHASE COLUMBUS 3.00 02/15/23	Open	02/15/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,719.18	1,602.74	1,602.74
	19-0029	82772LBU6	TIAA FSB JACKSONVILLE 3.00 02/22/24	Open	02/22/19	250,000.00	250,000.00	250,000.00	0.00	0.00	3,719.18	1,458.90	1,458.90
	19-0038	CD423	METRO 2.00 05/07/20	Open	05/07/19	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	8,383.57	1,333.33	1,333.33
	19-0040	CD075	METRO 2.00 06/07/20	Open	06/07/19	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	6,884.94	1,333.33	1,333.33
	20-0001	CD1499	YCB 0.149 08/23/20	Open	09/23/19	250,000.00	250,000.00	250,000.00	0.00	0.00	0.00	39.32	39.32
	20-0002	CD772	METRO 1.80 10/07/20	Open	10/07/19	100,000.00	100,000.00	100,000.00	0.00	0.00	0.00	120.00	120.00
	Certificate of Deposit Total					6,832,000.00	6,832,000.00	6,832,000.00	0.00	41.73	142,735.38	22,131.30	22,173.76
FFCB	17-0010	3133EGNK7	FFCB 1.32 07/27/20	Open	07/27/17	3,000,000.00	3,000,000.00	2,994,060.00	0.00	0.00	118,800.00	10,340.00	10,340.00
	17-0077	3133EHMG5	FFCB 1.80 03/12/21	Open	09/12/17	2,000,000.00	2,000,000.00	2,000,020.00	1,400.00	5,000.00	81,000.00	4,900.00	5,900.00
	18-0052	3133EHL43	FFCB 2.15 07/26/22	Open	01/29/18	1,850,000.00	1,850,000.00	20,442.50	20,442.50	9,778.02	69,606.25	10,496.18	20,108.47
	18-0053	3133EHLR9	FFCB 2.00 07/19/21	Open	07/19/18	1,769,000.00	1,769,000.00	17,690.53	12,383.00	393.11	53,070.00	10,024.33	10,417.44
	19-0014	3133EJP80	FFCB 3.00 05/02/23	Open	01/29/19	2,000,000.00	2,021,805.95	2,101,880.00	-4,394.05	14,500.00	30,000.00	29,833.33	44,333.33
	19-0017	3133EGJ22	FFCB 2.00 11/16/23	Open	01/29/19	2,000,000.00	1,938,743.38	2,000,000.00	10,743.38	8,111.11	20,000.00	18,333.33	26,444.44
	FFCB Total					12,619,000.00	12,579,549.33	12,715,068.57	40,574.83	37,782.24	372,476.25	83,927.17	117,543.68
FHLB	16-0071	3130A8JZ7	FHLB 1.22 12/30/19	Open	06/30/17	2,900,000.00	2,900,000.00	2,897,593.00	0.00	0.00	106,140.00	11,891.61	11,891.61
	17-0046	3130AAQV3	FHLB 1.67 04/30/20	Open	01/30/18	2,400,000.00	2,400,000.00	2,401,200.00	0.00	6,828.44	100,200.00	10,131.33	10,354.00
	17-0066	3130AAQB0	FHLB 2.00 08/16/21	Open	02/16/18	2,000,000.00	2,000,000.00	2,000,180.00	0.00	0.00	100,000.00	8,333.33	8,333.33
	19-0006	3130AFE78	FHLB 3.00 12/09/22	Open	01/29/19	2,000,000.00	2,020,335.08	2,087,600.00	-4,664.92	9,861.11	35,500.00	23,666.67	37,500.00
	19-0008	3130A0JR2	FHLB 2.375 12/13/19	Open	01/29/19	1,000,000.00	999,788.25	1,000,700.00	1,378.25	3,034.72	11,875.00	9,104.17	12,138.89
	19-0009	3130A0JR2	FHLB 2.375 12/13/19	Open	01/29/19	1,000,000.00	999,781.53	1,000,700.00	1,421.53	3,034.72	11,875.00	9,104.17	12,138.89
	19-0018	3130A9BK6	FHLB 1.80 09/01/23	Open	01/29/19	2,000,000.00	1,927,782.89	1,985,640.00	13,382.89	14,800.00	36,000.00	6,000.00	20,800.00
	FHLB Total					13,300,000.00	13,247,687.75	13,373,613.00	11,517.75	37,558.99	401,590.00	78,231.28	113,156.72
FHLMC	16-0051	3134G9JT5	FHLMC 1.35 11/26/19	Open	08/26/16	1,500,000.00	1,500,000.00	1,499,730.00	525.00	0.00	60,750.00	8,718.75	8,718.75
	17-0016	3134G9W37	FHLMC 1.45 08/10/20	Open	11/10/16	1,500,000.00	1,500,000.00	1,497,945.00	0.00	0.00	65,250.00	4,893.75	4,893.75
	19-0010	3134GSTN5	FHLMC 3.00 08/17/22	Open	08/17/20	1,250,000.00	1,252,107.81	1,260,412.50	-1,954.69	16,875.00	37,500.00	7,708.33	24,583.33
	19-0031	3134GSW43	FHLMC 2.70 02/28/22	Open	02/28/20	1,500,000.00	1,500,000.00	1,501,425.00	0.00	0.00	20,250.00	6,900.84	6,900.84
	FHLMC Total					5,750,000.00	5,752,107.81	5,759,512.50	-1,429.69	16,875.00	183,750.00	28,221.67	45,096.67
FNMA	17-0048	3136G4KD4	FNMA 1.75 06/29/20	Open	06/29/17	2,000,000.00	2,000,000.00	1,998,660.00	0.00	3,305.56	87,500.00	11,861.11	15,166.67
	18-0054	3134G95P8	FNMA STEP 1.625 08/25/21	Open	02/25/18	2,000,000.00	2,000,000.00	1,999,340.00	15,000.00	13,631.94	72,500.00	7,791.67	21,152.78
	FNMA Total					4,000,000.00	4,000,000.00	3,998,000.00	15,000.00	16,937.50	160,000.00	19,652.78	36,319.45
Money Market	AR-0001	MMKT FED - 5000638	Money Market	Open	07/01/99	165.04	165.04	165.04	0.00	0.00	1,652,559.38	0.00	0.00
	AR-0006	TARC FED - 4485281	Money Market	Open	07/01/99	0.00	0.00	0.00	0.00	0.00	30.61	0.00	0.00
	AR-0058	JPMORGAN MMKT - 00005017334	Money Market	Open	12/19/17	23,983.14	23,983.14	23,983.14	0.00	0.00	23,983.14	0.00	0.00
	AR-0059	GOLDMAN SACHS MMKT - 0188506760	Money Market	Open	12/19/17	39,861.28	39,861.28	39,861.28	0.00	0.00	39,861.29	0.00	0.00
	AR-0060	FEDERATED MMKT - 06090498885	Money Market	Open	12/19/17	24,102.34	24,102.34	24,102.34	0.00	0.00	24,102.33	0.00	0.00
	AR-0061	DREYFUS MMKT - 0616753258	Money Market	Open	12/19/17	38,099.91	38,099.91	38,099.91	0.00	0.00	38,099.92	0.00	0.00
	Money Market Total					126,211.71	126,211.71	126,211.71	0.00	0.00	1,778,636.67	0.00	0.00
Municipal Bond	15-0045	613357AF9	MONTG CO 2.44 11/01/19	Open	06/25/15	500,000.00	500,000.00	500,000.00	-13,250.00	1,830.00	48,800.00	6,100.00	7,930.00
	16-0065	64971WVF3	NYC TRAN FIN AUTH-SUB 1.69 02/01/21	Open	06/23/16	1,350,000.00	1,352,328.27	1,345,396.50	-6,028.23	4,999.58	74,782.49	5,703.75	9,633.00
	17-0004	047681N20	ATLANTA ETC REC 2.41 12/01/19	Open	07/22/16	720,000.00	720,631.72	720,216.00	-24,337.88	2,440.96	51,995.17	7,230.00	9,688.20
	17-0012	555542LS6	MACON-BIBB CNTY GA 3.00 12/01/20	Open	08/01/16	425,000.00	432,053.69	429,751.50	-20,511.81	2,104.72	38,189.17	5,312.50	7,437.50
	17-0027	64990E4G9	NY DORM AUTH C-TXBL 1.10 02/15/20	Open	09/30/16	1,000,000.00	1,000,000.00	998,720.00	0.00	1,138.20	32,052.78	2,322.22	2,750.00
	17-0028	64990EEL7	NYS DORM AUTH C-TXBL 2.12 03/15/21	Open	09/30/16	2,000,000.00	2,015,408.91	2,006,960.00	-33,491.09	1,766.67	127,200.00	5,417.78	7,184.45
	17-0029	64971WN97	NY TRANSITION TXBL 1.35 08/01/20	Open	09/30/16	2,625,000.00	2,628,907.44	2,613,738.75	-15,727.56	4,162.27	101,292.19	8,859.38	9,646.88
	17-0032	597137GZ5	MIDDLETOWN OH 2.053 12/01/20	Open	10/07/16	400,000.00	402,582.33	401,652.00	-7,093.67	2,831.62	24,575.17	3,421.67	6,113.38
	17-0051	696624AV7	CA PDTDEV 2.75 10/01/22	Open	02/06/17	1,000,000.00	998,607.90	1,024,630.00	1,227.90	3,235.92	73,409.72	2,291.67	2,750.00
	17-0059	485429Y32	KANSAS ST DEV AUTH 2.608 04/15/20	Open	02/08								

Total Portfolio Asset Allocation as of 10/31/2019



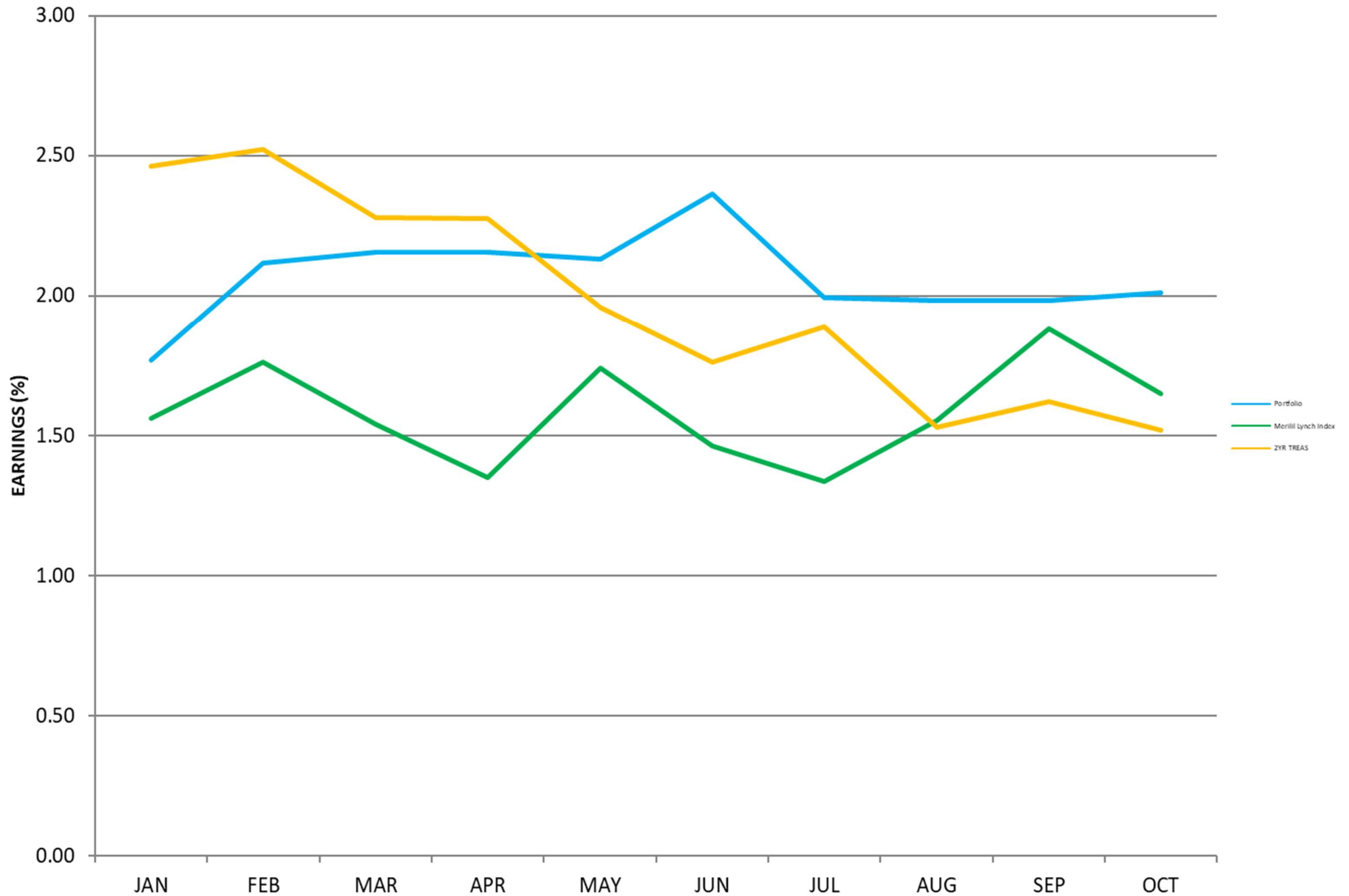
Investment Portfolio by Maturity as of 10/31/19



	2019	2020	2021	2022	2023	2024	\$ TOTAL
CD	0	2,600,000	996,000	1,240,000	496,000	1,500,000	6,832,000
AGENCY	1,999,570	0	0	2,020,335	5,888,332	0	9,908,237
AGENCY - CALLABLE	4,400,000	8,900,000	7,769,000	4,602,108	0	0	25,671,108
MMKT	126,212	0	0	0	0	0	126,212
MUNI	1,220,632	5,241,019	4,180,751	3,505,210	0	0	14,147,612
\$ TOTAL	7,746,413	16,741,019	12,945,751	11,367,653	6,384,332	1,500,000	56,685,169
% OF TOTAL	13.7%	29.5%	22.8%	20.1%	11.3%	2.6%	100.0%

PORTFOLIO PERFORMANCE

Portfolio Performance as of 10/31/19



DATA ANALYSIS

Metro Cash Position

Metro's overall cash position increased for the month of October as a result of bond proceeds that were received at the end of the month. If you exclude the increase in bond funds, you'll also notice that cash-on-hand nearly doubled for month moving from \$12 million to \$23 million. This is a very good sign especially when considering Metro's position at this time last year.

Metro will continue with its current strategy of holding any called or matured securities as opposed to reinvesting. This will likely continue until revenues from property tax payments are received. At that point, Metro will reevaluate its position and look to implement a new strategy to invest idle funds.

Asset Allocation

There was activity to report for the month of October:

Matured:	\$2,000,000	FNMA	1.125	10/28/19
Calls:	\$2,000,000	FFCB	2.23	03/14/23 – Called on 10/17/19 (Yield 5.26)
	\$1,000,000	FHLB	3.50	10/30/23 – Called on 10/30/19 (Yield 2.69)
	\$2,250,000	FNMA	2.20	10/26/22 – Called on 10/26/19 (Yield 2.99)

These calls earned more/less than the coupon because they were purchased at a discount/premium. It is likely that if rates continue to fall, more calls will follow.

Maturity Distribution

The back half of the portfolio continues to be impacted by recent calls. As shown above, those investments called were in the 22/23 maturity years. This new graphical representation shows the amount of callable securities in each maturity year and across the entire portfolio. While the percentage and total amount may not have been as significant at the time these were purchased, callable securities now represent nearly half of the portfolio. This will be a factor when placing idle funds to work as we will work to limit our exposure to callable securities and maintain a more structured and predictable cash flow.

Portfolio Performance

Portfolio yield increased slightly this month as a result of the calls listed above. With rates projected to be cut later in the year, it is likely that more calls could follow and drive portfolio yield lower as Metro will be forced to reinvest in lower yielding securities.

ECONOMIC UPDATE

ECONOMIC UPDATE

Economic activity has remained mixed, with moderate strength in consumer spending and general weakness in business investment and manufacturing. Amidst this mixed activity, the Federal Reserve lowered rates by another 25 basis points on October 30th. This marks the third cut of the year and is believed to provide insurance against downside risks in 2020.

The White House has recognized that tariffs have had a negative impact on the economy as evident in the decision to delay the final round of tariffs on Chinese goods until mid-December. The good news is that 2020 is an election year which should result in serious efforts to shore up economic growth and reduce trade tensions. While it is believed that a full trade deal with China is unlikely, there are prospects to secure a “mini deal” that would lower some tariffs that have been put in place. While this would help reduce uncertainty, the ongoing weakness in the global economy, labor market, and the political uncertainty are expected to limit the pace of U.S. growth over the next several quarters.

With multiple factors in play, Chair Powell recently cited three reasons for cutting rates this year. Per his statement, these rate cuts are designed to 1) insure against risks from the weak global economy, 2) offset the effects the trade policy uncertainty are currently having on the economy, and 3) to promote a faster return of inflation to the 2% target. Chair Powell is confident in their approach and believes that “monetary policy is in a good place to achieve these outcomes” and that “if developments emerge that cause a material reassessment of our outlook, we would respond accordingly.”

It is important to note that these rate cuts have reduced fears of recession. An August yield curve model for predicting recessions had indicated a 40% chance of entering a downturn within the next 12 months. In October, that same model indicated a 30% chance and early November models were down to 25%. These numbers are still relatively high by historical standards, but they are less fearful which is good for consumer spending.

Given this data, it is expected that the expansion continues in 2020. The risks to economic growth are still weighted to the downside, but appear less fearful than a few months ago. The Fed seems to echo that sentiment as there is no expected change in rates to occur in December and currently only a small change of another cut by the middle of next year.

Total Portfolio Shock Table
Lou / Jeff Cty Metro Finance
Effective Interest - Actual Life
Receipts in Period
10/31/2019

<i>Data Category</i>	<i>Down 300</i>	<i>Down 200</i>	<i>Down 100</i>	<i>Current</i>	<i>Up 100</i>	<i>Up 200</i>	<i>Up 300</i>
Current Par	56,722,211.71	56,722,211.71	56,722,211.71	56,722,211.71	56,722,211.71	56,722,211.71	56,722,211.71
Amor. Cost	56,659,176.75	56,659,176.75	56,659,176.75	56,659,176.75	56,659,176.75	56,659,176.75	56,659,176.75
Market Value	56,813,736.78	56,870,332.78	56,926,928.78	56,983,524.78	57,040,120.78	57,096,716.78	57,153,312.78
% Change	-0.30 (0.10)	-0.20 (0.10)	-0.10 (0.10)	0.00 (0.10)	0.10 (0.10)	0.20 (0.10)	0.30 (0.10)
Market Price	100.16	100.26	100.36	100.46	100.56	100.66	100.76
Market Yield	3.4243	2.9272	2.4312	1.9363	1.4419	0.9487	0.4564
Gain / Loss	154,560.03	211,156.03	267,752.03	324,348.03	380,944.03	437,540.03	494,136.03

The table above represents the interest rate risk of the investment portfolio of individual fixed incomes securities. By adjusting current market rates and by using the matrix pricing technique, the portfolio was subjected to an immediate interest rate shock of plus or minus 300 basis points. The results in weighted average total is presented above which details the projected market value, market price, total unrealized gain (loss) and percentage market value change from the current interest rate environment.